

National Sample of Local Service and Special Service Districts¹ -- Taxing Authority for Taxing Entities with Nonelected Boards or Officials

Arizona

Noncontiguous County Fire Districts

- ▶ A three person board sets a secondary property tax rate:
 - ▶ district to appoint one member
 - ▶ surrounding municipality to appoint one member
 - ▶ two appointees shall agree on third person
- ▶ The district shall levy the tax as determined by the three person board and the tax shall be collected as other property taxes are collected

A.R.S. § 48-853.

Colorado

Scientific and Cultural Facilities District

- ▶ District governed by a board of directors:
 - ▶ one director each shall be appointed by the boards of county commissioners of each county in the district
 - ▶ one director appointed by the city council of Denver
 - ▶ one director appointed by the city council of Broomfield
 - ▶ three (for an odd number of directors) or four (for an even number of directors) shall be appointed by the governor
- ▶ The district may submit to the registered electors within the geographical boundaries of the district the question of whether the district shall be authorized to levy and collect sales and use taxes

C.R.S. §§ 32-13-105, -106.

¹States use differing terminology such as "special district," "special taxing district," "local district," "statutory district," "improvement district," or the particular type of special district such as "fire district," "flood control district," or "water district."

The states included in this sample are: Arizona, Colorado, Florida, Idaho, Illinois, Louisiana, Montana, Oregon, Washington, and Wisconsin.

Special Statutory Districts - Urban Drainage and Flood Control Act

- ▶ Board of Directors:
 - ▶ the mayor of Denver shall be an ex officio director
 - ▶ three directors shall be appointed by the city council of Denver; each director shall be a member of the city council
 - ▶ one director shall be appointed by the county commissioners by each of Adams, Arapahoe, Boulder, Douglas, and Jefferson counties and the city council of Broomfield; each director shall be a member of the board of county commissioners
 - ▶ four members shall be appointed by the governor; each director shall be an executive officer of a municipality with a population of 100,000 or less
 - ▶ a mayor within the district having a population in excess of 100,000
 - ▶ a professional engineer appointed by the board
- ▶ The district has the power to levy and cause to be collected taxes on all taxable property within the district
- ▶ A levy in excess of .001 requires the favorable vote of a majority of the district's electors

C.R.S §§ 32-11-204, -217, -301, -304.

Metropolitan Sewage Disposal Districts

- ▶ Each municipality shall appoint, by the executive of each municipality with approval of the governing body, one member of the board for each 75,000 population, or fraction thereof, plus one member for each additional 75,000 population
- ▶ It is the duty of the body having authority to levy taxes within each county to levy the taxes. Officials are charged with the duty of collecting taxes at the time and in the form and manner as other general ad valorem taxes are collected.

C.R.S. §§ 32-4-509, -511.

Metropolitan Water Districts

- ▶ The board shall consist of one member from each municipality within the boundaries for each 25,000 population in the municipality, plus one member for each additional 25,000 population
- ▶ A member from a municipality shall be appointed by the municipalities governing body
- ▶ A member from an unincorporated territory shall be appointed by the board of county commissioners
- ▶ Board members shall be eligible electors residing within the district
- ▶ The district has the power to levy and collect property taxes on all taxable property

- ▶ within the district not to exceed a rate of .006 per dollar of taxable value
- ▶ To borrow money, incur indebtedness, and to issue bonds, a proposition for creating the indebtedness shall be first submitted at an election held for that purpose

C.R.S. §§ 32-4-405, -406.

Florida

County Health and Mental Health Care Special Districts

- ▶ County governing body shall appoint a governing board, of which all members shall be residents of the county for the previous 12-month period
 - ▶ two members shall be appointed by the governor
 - ▶ three members shall be appointed by the county governing body
- ▶ The county governing body shall obtain approval, by a majority vote of the electors, to establish a district with authority to annually levy ad valorem taxes which shall not exceed the lesser of:
 - ▶ the maximum rate authorized by the electorate; or
 - ▶ .005 per dollar of taxable value

Fla. Stat. § 154.331.

Idaho

Flood Control Districts

- ▶ Each division of the district shall be represented by one commissioner who shall be a qualified voter
- ▶ May enter upon duties of their office upon meeting the qualifications pertaining to county officers and securing a bond
- ▶ Commission may levy and cause to be collected assessments not to exceed .06%
- ▶ Higher levy may be approved and ratified by the qualified voters

Idaho Code §§ 42-3109, -3115.

Watershed Improvement Districts

- ▶ Governing body shall consist of three directors, two elected and one appointed
- ▶ The director appointed by the commission shall be a land owner within the district with training and experience qualified to perform required duties
- ▶ Commission may levy and cause to be collected assessments not to exceed .06% for

general administration and operation

- ▶ An additional levy may be assessed not to exceed .20% for capital projects
- ▶ Before either tax may be levied, an election must be held
- ▶ Assessment of either levy can only be levied against lands to be directly benefitted

Idaho Code §§ 42-3706, -3708.

Illinois

Metro-East Sanitary District Act of 1974

- ▶ The appointment of 5 commissioners from each of two counties shall be made by the chairmen of each county board with the advice and consent of the county board
- ▶ In addition to the amounts levied for the payment of bond indebtedness, the board may levy and collect taxes at a rate equal to the greater of:
 - ▶ .20% of the value of property; or
 - ▶ if approved by the voters, .478% of the value of property for 5 years after approval and .312 for each year thereafter

70 ILCS §§ 2905/5-1, 2905/3-1.

Louisiana

Alexandria Central Economic Development District

- ▶ The governing board shall consist of nine members, all of whom shall be qualified voters and residents of Alexandria:
 - ▶ three members appointed by the mayor and confirmed by the governing authority
 - ▶ two members nominated by the Central Louisiana Business League and appointed by resolution adopted by the Alexandria governing authority
 - ▶ two members nominated by the governing authority of Rapides Parish and appointed by resolution adopted by the Alexandria governing authority
 - ▶ one member nominated by the Central Louisiana Chamber of Commerce and appointed by resolution adopted by the Alexandria governing authority
 - ▶ one member nominated by the Rapides Regional Medical Center and appointed by resolution adopted by the Alexandria governing authority
- ▶ Subject to the approval of the Alexandria governing authority and voter approval, the district may levy a property tax for the purpose of planning, constructing, acquiring, operating, or maintaining public facilities not to exceed .015 for such number of years as provided in the proposition authorizing the levy
- ▶ The district may also issue general obligation bonds which are also subject to voter approval

La. R.S. § 33:2740.46.

Montana

Business Improvement District

- ▶ The appointing authority with the approval of the governing body creating the business district shall appoint no less than five nor more than seven owners of property to compose the board of trustees
- ▶ The board, following public notice, shall submit a work plan and budget for the upcoming fiscal year to the governing body that will levy a property tax
- ▶ The governing body shall hold a public hearing on the proposed work plan and budget
- ▶ After approval of the work plan, the governing body shall, by resolution, levy the property tax

Mont. Code Ann. §§ 7-12-1121, -1132, -1133.

Oregon

Special Road Districts

- ▶ Commissioners shall be appointed by the county court or elected by the electors of the district
- ▶ Appointed commissioner shall be an elected district official

- ▶ Operating tax rate may not exceed the lesser of the statutory or permanent rate limit as provided by statute or the Oregon Constitution

ORS §§ 371.318, 371.330, 371.338, and 371.357.

Washington

Public Facilities Districts

- ▶ A district created by a single city or town:
 - ▶ two members appointed by the legislative authority
 - ▶ three members appointed by the legislative authority on recommendations from local organizations
 - ▶ members shall not be members of the legislative authority

- ▶ A district created by a contiguous group of cities and towns, or a contiguous group of towns or cities and a contiguous county or counties:
 - ▶ three members appointed by the legislative authority
 - ▶ four members appointed by the legislative authority on recommendations from local organizations
 - ▶ members shall not be members of the legislative authority

- ▶ A public facilities district is a municipal corporation, an independent taxing authority, and a taxing district, within the meaning of the Washington Constitution and may levy taxes as any other taxing authority would levy property taxes

Rev. Code Wash. § 35.57.010

Wisconsin

Local Professional Baseball Park Districts

- ▶ The board shall consist of the following members:
 - ▶ a number of persons equal to the number of counties of the district plus one, appointed by the governor, subject to confirmation of the senate

- ▶ two persons appointed by the chief executive officer of the most populous county
 - ▶ one person for each county in the district, except the most populous county, appointed by the chief executive officer of that county, subject to confirmation of the majority of the county board
 - ▶ one person appointed by the mayor of the most populous city, subject to confirmation of the common council or council
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- ▶ The board may impose, by resolution, the a sales and use tax of no more than .1% of the gross receipts or sales price
 - ▶ A certified copy of the resolution shall be delivered to the secretary of revenue

Wis. Stat. §§ 77.705, 229.66, and 229.68.